

March 31, 2021, Governor's Small Business Webinar Series, Dynamic Financial Planning.

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*****DISCLAIMER!!!*****

>> So I'd like to welcome everybody today. Thank you for joining us. Thank you for making time to attend this webinar and listen to what we're going to share with you.

While we're waiting for people to come in and get into their seats, I am going to share with you our accommodations information.

This information shares with you the fact that we have a captioning service. The link to the captioning service is in our published featured feed. If you click on the speech bubble in the upper right-hand corner of your screen that opens up the featured feed and the live Q&A feed where you can actually type your questions when we open it up.

But in the featured feed you will see this link. You can cut it and paste it into your browser and that will allow you access to the caps service, a special captioning service.

You can also switch on the Teams subtitles and captioning as well and the instructions are on this slide if interested.

And for anybody who would like a transcript, those are posted on our website within 48 hours of our webinar and you can access it through this link. The link will be shared with you afterwards in our survey email which you should see quite soon after this event.

So I'm just going to leave this for a moment while people get into their seats.

Great. Like I said, thank you very much for joining us. I'm now going to hand over to Adriana Cruz, the executive director of the economic development and tourism team in the Office of the Governor. Over to you Adriana to open our event.

>> Thank you, Kelly. Good afternoon, everybody and thanks for joining us today. As Kelly said, I'm Adriana Cruz, the executive director of the economic development and tourism office in the office of Governor Greg Abbott. On behalf of Governor Abbott and the team at the economic development and tourism office I want to welcome you and thank you for joining us today for this Governor's small business webinar. Through these webinars our goal is to provide you information and connect you with local resources in your area that can help you to find success.

Under Governor Abbott's leadership our office is committed to working with you to make sure Texas continues to be ranked as the top state in the country to start a business and to be an entrepreneur.

Today we've brought together a great panel of experts for you from the U.S. Small Business Administration and two of our regional small business development centers to talk about dynamic financial planning as well as to give us an update on the federal funding resources and the recently passed American Rescue Plan Act.

Texas' small business owners are the backbone of our state's office. Because of you Texas continues to be the economic engine of our nation. And by working together we'll continue the strong trajectory of economic growth for Texas. Please don't hesitate to reach out to our small business assistance team, Kelly, Jarvis and Sonia. And if we can help you in any way so that you can continue to find success in the Lone Star state. And now Kelly, back over to you.

>> That's great and thank you, Adriana.

So I'd like to introduce our panelists to you today. We have David Elizondo. He's the deputy director of the

Small Business Administration in Central Texas, based in San Antonio.

We also have Gina Woodward. She is a senior executive with the small business development center in the West Texas A&M University. And we also have Angelo Piccirillo with the small business development center at Texas A&M University. Thank you guys for joining us and our audience will have the opportunity to hear from each of them but also ask direct questions to them.

Before I talk to our panel I would like to mention we have our live Q&A feed. It's not actually open right now. That slide is a little incorrect. We keep it closed for the first while we talk about frequently asked questions. And then when we get through about three-quarters of the frequently asked questions in about 10 minutes we'll open the feed.

You can type your question into the new feed. If you look at the upper right-hand corner of your screen like I mentioned before you can click on the speech bubble with the question mark and that opens up the feed where you can type your questions. It's closed right now. We will open it and I will let you know when it's opened and I'll

talk more about that momentarily.

And in the meantime I am going to move along now and I'm going to start talking to our panelists and I am going to welcome David Elizondo. David, thank you for joining us.

>> Thank you for the opportunity to speak. First of all, can you hear me?

>> Yes, we can hear you fine.

>> I've experienced one too many instances of Murphy's law when doing webinars. I wanted to make sure.

Good afternoon, everyone, I am David Elizondo, impart of the office that covers Central Texas so that encompasses San Antonio, Austin, San Angelo, Victoria, and everything in between essentially. So we cover a total of 55 counties. As Adriana mentioned, small businesses are the backbone of the state's economy, but also the nation's economy. And of course we wanted to share the latest and greatest information on behalf of the Small Business Administration.

Back when this pandemic started, back in April, the CARES Act was passed, which encompasses the patriot protection program and the economic recovery disaster

loan. These are two different vehicles so what I'll do is take a step back and we'll talk about what's happening moving forward.

So the patriot protection plan is a loan program that's administered through SBA participating lenders. One of the questions I saw early on is where can I go to submit the application and that is directly through the bankers that are participating in the program.

So unlike the EIDL program which is administered directly through the SBA, the PPP loans are administered through the banks.

When this program first kicked off there was a one year deferment for the EIDL and that has since been extended. So if you made an EIDL loan in the calendar year 2020 that loan was deferred for another 12 months for a total of 24 months.

If you recently got approved for the EIDL in 2021, the program has been extended another six months. So in total 18 months.

Please note that there is interest being accrued for the time being but we wanted to give you all small business owners an opportunity to bounce back from any disasters

that you are experiencing or any pandemics for that matter.

The PPP, moving over to that. When the program first went live there was a time frame that was exhausted, which was eight weeks. That was since extended to 24 weeks under the flexibility act and the program initially closed August 8th of last year. But under the economic aid act, the program has since come back to life and the deadline was March 31st, but I'm proud to announce that as of yesterday president Biden did sign the law that the PPP program has been extended until May 31st. So keep that in mind as you are considering first draw, second draw that you have until May 31st to apply.

There have been revisions made to the PPP that I'll further discuss under the American rescue plan.

Moving on to that I have some key highlighted points that I'm going to talk about now about the American rescue plan. So if I'm reading here bear with me. The American Rescue Plan Act was signed by president buy-in on March 11th which will change the course of the pandemic crisis. So it's for profit and non-profit that this bill does encompass.

The lead agency for the PPP as it stands is SBA, but we do work in collaboration with Department of Treasury and the IRS as well.

What it does is it supplements the existing disaster assistance programs that have been in assistance. So that's EIDL, the targeted EIDL, the PPP, but also new programs such as the [indiscernible] operators grant which I'll further discuss.

So let's break it down. Let's talk about exactly how the American Rescue Plan Act impacts each program area.

So for the PPP, the American Rescue Plan Act provides an additional \$7.25 billion. And that's partially the reason why I strongly believe the program was extended until May 31st. Initially there were only certain for-profits and -- certain non-profits that could apply and certain for-profits under the SBA size standards table.

So I would highly recommend going to SBA's page and going to the frequently asked questions document to make sure that you are eligible to apply.

Under the disaster loan, so you all may recall when the EIDL program first went live, there was an program for

an EIDL advance. So certain folks were able to get a grant program essentially under this vehicle and with the American Rescue Plan Act an additional \$15 billion has been injected under the targeted EIDL advance. There's no need for apply for this.

So if you qualified for the EIDL advance before and you are designated in a low income area you may be able to receive additional funding under the EIDL targeted advance.

The big question people are starting to ask about is the restaurant revitalization fund. And that's going to go live here in the near future. I strongly believe that the operator's grant is the emphasis for the agency as of right now. So under the American Rescue Plan Act there's going to be \$28.6 billion allocated for small business owners to apply with the maximum of five million dollars of the grants per location with an aggregate total of \$10 million.

Per the act, the restaurant revitalization grants will provide economic relief to restaurants, food stands, food trucks. I know Austin is big on food trucks. Food carts, caterers, inns, bars, lounges, brew pubs, tasting

rooms among other categories that fit under the restaurants.

Most importantly is any establishment with 20 or fewer locations is eligible.

Now, who is not eligible to apply for the restaurant revitalization funds are entities that receive state funds or those that applied for the SVOG. So it's like you're applying for one grant or the other.

Now, speaking about the shuttered venues operators grant, on a positive note the portal goes live April 8th and what we're encouraging folks to do today is go on toll systems for work management.gov, it's also SAM.gov, to create a profile. So once the portal does go live on April 8th you have your profile ready to go and you can apply for the grants.

Almost on a daily basis the document on SBA's page is being updated with how do I calculate for the SVOG, who is eligible for the SVOG, and so initially whenever the so far SVOG was first announced, folks were not able to apply if they applied for the PPP second draw, but now under the economic aid act and especially under the American rescue plan, folks can now apply for both second

draw and PPP and the SVOG. And how do you calculate that? Again, we do have a calculator on SBA's page to make sure that you're getting the optimal amount.

Then lastly I want to talk about the community navigator pilot program. So another vehicle under the American rescue plan is the community navigate pilot program, which provides \$175 million to establish a program and conduct outreach effort. We acknowledge under the SBA and the [indiscernible] that any way we can help out small businesses come back from this pandemic we're here to help them out.

So consider this another opportunity for folks to get some sort of assistance. It's not made available just yet. Right now again the emphasis is going to be the SVOG, which goes live in eight days, but those that are eager to learn more about the community advantage-- community navigator pilot program can visit [SBA.gov/navigators](https://www.sba.gov/navigators). And the navigators are to include private non-profit organizations, some resource partners, states, tribes, units of local government that will conduct outreach and deliver free education and technical assistant services to current or prospective owners of eligible small

businesses.

So there's still a lot of information coming out about the American rescue plan and how we're going to implement the vehicles that fall under this particular program.

So again, the biggest highlight from today is the paycheck protection program has indeed been extended to May 31st and folks that want to apply for the economic injury disaster loan can still apply as that deadline has also been extended until December 31st of 2021. The original deadline was December 31st but I don't think a lot of people anticipated that we would still be under this pandemic, fast forward a year. So both programs are available as we speak today. Kelly, I'll turn it back to you, ma'am.

>> Excellent, David and thank you so much. That was an enormous amount of information in a short space of time. Really appreciate you doing that. For anybody that didn't keep up with that, this recording will be made available to you affairs. It will be in the email we send to you and on the website and email as well and if I make one suggestion that everyone should economic the Small Business Administration website. They update it all the

time. Frequently asked questions are up there like David said, calculators are up there. There's all the tools you need to be able to figure out how to get to the federal funding that's just been announced and has been around for the last year as well.

So thanks, David. I've got to move along and I'm going to talk to Gina Woodward. Thank you, Gina for joining us again.

>> Always good to be here, thanks, Kelly.

>> Gina is fantastic, has joined us several times. It's Dr. to have you here. I'm going to ask you my first question which is can you tell us about the steps of a dynamic financial plan and why is it important to have one?

>> Sure. I think the last time I was with you we were talking about dynamic business plans and if anybody was here for that webinar, a lot of this is going to sound familiar because it's a lot of the same planning steps that you'll use.

First thing that I think people need to think about when they're working on dynamic financial planning is that you're not doing it because there's a problem. It's not a bad thing. It's something that you should be doing on

a regular basis to maybe catch some problems, but also take advantage of some opportunities that there might be for your business and harness that.

So I really, what when I'm doing financial planning with my clients there are five steps that we're looking at. The first one is just sit down and determine exactly what is the current situation? What's working and what's not working.

You want to review that performance. Certainly you can do it on your own. You can learn to do that on your own. I really prefer that clients do that either with me or maybe they do that with their CPA. If for something else then just having another set of eyes on the data.

I may look at things differently than the client looks at it. Their CPA may look at things differently. So I think it's always valuable to have another set of eyes on your financial data.

And you're not just looking at cash when you're doing this financial planning in this first step. Cash is king and that's always going to be the case, but we have three financial statements for a good reason. It's not just a cash flow statement. We've also got a balance sheet and

a profit and loss statement. You need to be thinking about the data that's on all three of those.

We might be looking at our assets. Your assets have one purpose and that is to make you money. We need to determine are those assets making you money. Is that working?

If you have accounts receivable or accounts payable we need to look at those and figure out what those terms are per month.

If you've got accounts receivable that's it may be 60 days, we'll look at some industry standards and we may want to think about reducing that.

Look at turns, how many times is your inventory turning every month? There's no standard that applies to every business. It depends on your industry. And if you're working with an SBDC, some other consultant or your CPA, they're probably going to be able to get their hands on some benchmark information for you. So another good reason to bring in a third-party when you're working on your financial planning.

Something else that you might be looking at here is your pricing, and I'll go over that in a little bit. We

may look at lowering, not very often. Most of the time we're looking at increasing prices.

So that's the first step is just looking at what is in the current status. The second step is setting some goals to either correct the problems that you've come across or hopefully what we're going to be doing more of is capitalizing on some of those opportunities, some of the strengths that you have found in your business. And this step we're setting some general goals. It's things like I want to increase my cash flow. Maybe I've come across one of the lines in my inventory that's doing really well and I want to expand on that. But we're going to set those general goals and those are the things that we'll stick with for whatever period we're working with whether it's the next month, next six months or the next year.

The third thing, the third step that we're going to do in our financial planning is creating a roadmap to reach those goals. And that roadmap just like we talked about when we were doing our swat planning it needs to be specific and it needs to be measurable. It doesn't do any of us any good if we have goals that we really can't track on a regular basis in measures so that we know whether it's

working or not.

Those really specific goals could be things like I want to sell some of my assets. Maybe when we're in that first step and reviewing what we have we determine that perhaps we have some real estate somewhere that's not making us any money or even costing us money.

Now may be the time to unload that particular asset.

Perhaps you decide that you want to reduce some of your inventory. Again, if you have accounts receivable we're looking at that collection period. One goal might be to focus on improving that collection period, dropping it from 45 days to 30 days, whatever that goal may be.

And even if it's just a couple of days, you would be surprised to see what kind of effect that can have on your cash flow, just collecting those bills due a couple of days sooner than you have in the past.

Lastly, the increasing prices, as always good to look at. You know, that's something that I'll always battle with my own clients because deep down none of us wants to increase prices. That's a scary sounding thing.

But I can tell you in my 13 years of doing this I don't think I have ever had a client who increased prices and

it adversely affected their business. Especially if your business is selling something -- if your business is selling something that's consumable. Those are the times when clients may take a little bit more note.

And when I say consumable, I mean think about people. When gas prices go up even a penny or two we always notice that, but we pay it. But most of us are selling things that are not consumable on that type of basis and may be something that we buy once or twice a year.

I can tell you tellly for things that I buy once or twice a year if the price goes up a few dollars I'm probably not even going to notice, much less quit buying those things. So that's a good time to think about raising prices.

The fourth step is identify some potential obstacles in the market. And have a plan to minimize those and also think about some potential opportunities. And have a plan to take advantage of them. We can't see into the future. We don't know he everything that's going to happen and in this step I don't want anybody to focus on the potential bad things or all of the good things that will happen because you will get stuck there and that list will never end. And this is another good time to have that

third-party in on the conversation. If you're talking to me I may be looking at those things in market a little bit differently and can help identify some of the primary things. Same thing with your CPA, whoever you choose to look at.

You know, it could be things like the housing market. Of course, I'm in Amarillo. I assume that it's probably the same wherever you're at in Texas. The housing market is absolutely booming. Prices have gone up. If you're in a business where perhaps you're selling lumber, good for you. Now is definitely the timing to doing that. You want to make a plan to capitalize on that.

If perhaps you're there a business where you're going to be buying some real estate, we need to think about pushing that off a little bit so you won't be paying such a high price for that real estate.

One of the things in particular that I'm watching this year post-COVID is the labor market. I expect that we're going to see a flooded labor market late this year, early next year.

If you think that you might be hiring some time soon that works out really well for you because you may be able

to be a little bit more choosy with who you're going to hire.

And the last thing that we're going to do with that financial step, step 5, is the same thing again that we did with our dynamic business planning is monitor your financial plan and revise it as needed.

You obviously want to do this at least on an annual basis, but depending on your industry and the state of the economy, you could do it more often. For all of us in oil and gas, I can promise you they're doing most of these things on a daily basis. For rest of us doing it annually or even twice a year is probably sufficient s.

You know, Kelly, I have yet to see a client who didn't do some form of financial planning that was able to grow successfully. I've kind of seen the opposite. What happens is a company may start to grow and things are going well. And if they haven't done any financial planning they can get overwhelmed and really that's what leads to failure.

So I always encourage my clients to do some form of financial planning as they can because you absolutely have to have it to be successful.

>> Excellent. That's a great set of steps and great advice. Like you say, monitoring is a critical thing, looking back on what you said you were going to achieve versus what you have achieved and I frankly think the monthly minimum is a good suggestion for how often you think of that. And also that third-party to walk alongside you and to be available to advise is critical and for people who may not have a regular CPA and maybe just looking for an advisor you can get a great help from your local SBDC or your local chapter of SCORE who may be able to give you a mentor with experience and they won't cost you anything.

So Gina, we have another quick question for you and it's about where people can find good information online to help them with their financial planning if they haven't got a structure or think about revising it where can they get some help online?

>> Absolutely. I'm biased, of course, but I always think the SBDC is an excellent resource for that. I mentioned I am in Amarillo and certainly always glad to work with clients in the panhandle. One of the things I have loved most about the SBDC is that we have locations

nationwide. Wherever you're at there will be an SBDC to help you and as you mentioned all of those appointments are free of charge.

Really the best way to find your local SBDC is to go on our national site, it's AmericasSBDC.org and I believe there it will say find your local SBDC tab. All you have to do is plug in your zip code and you will get all the information for your local SBDC. Many times you can go on the website and most of us have all kinds of templates available there. I certainly encourage people to make an appointment with a consultant to work on that.

One of the second places that I would check is SBA.gov. I mentioned that you can certainly learn how to do much of this planning on your own and they have some really good training tools there. One is the learning center. There are some videos available there to walk you through learning a little more about how to read your financial statements and do some of this planning.

And they also have a brand new program that they just launched called ascent. It's similar to the learning center, but it's geared more towards women entrepreneurs and it will have some of that same dynamic financial

planning, the training and the tools on there.

>> Excellent, Gina, thank you. We're going to be sharing those links in our final slides. Like I said before, these slides are available to everybody who has joined us. We'll be emailing you a link and they're on our website so you can get all of that information if you didn't manage to keep up with Gina. So thank you, Gina. I'm going to move along and announce that our live Q&A feed is now open, so please start typing your questions.

We have colleagues back of house that you cannot see that are actually going to answer a lot of questions directly. So if you ask a question, keep an eye on it because you may get a direct answer from my colleagues. They may not publish your question, but you may get an answer.

And they are going to publish the more broadly relevant questions and what we'd like to you do in the audience is to like the questions you'd like to hear the answer to most and what we will do then is prioritize the questions with the most likes. So go ahead and type your questions and keep an eye on what's published and like the ones that you would like to hear about.

So finally I'm going to talk to our last panelist, Angelo Piccirillo, and I would like to welcome you. Thank you for joining us.

>> Thank you, Kelly. Thank you for inviting me. I'm also an SBA advisor in Laredo Texas, but also a business owner so I want to maybe discuss some issues from an SBDC advisor, but also as a business owner.

So one of the questions is now that you have the PPP and the EIDL and you use the money, what do you do now? So as a business owner I have applied for the EIDL loan, I have the financing, I did apply. I also applied for the PPP funding, the first one, and I submitted my forbearance and also applied for the second one which I'm currently utilizing. So have you this money and you're working with your difference with your employees so what do you do now? How do you keep it going because money is going to run out.

If you're a retail operator the general consensus is that it's not going to die any time soon no matter what people have said. We're talking about brick and mortar. However, the way you operate the business is going to change dramatically so you have to be ready.

I have seen people going into a store which the

majority of you made revenue since you opened, in the past people coming in.

while you may have a website, you use social media and most likely you have a list of email you use, you see a lot of customers coming through the door. But now that you have some retailers during the pandemic have closed their doors and then they reopen again, now you have to start rethinking about what am I going to do with my store now? I'm using the funds. I have all this open space. Do I need all this open space?

So because there's a lot of closure happening. So you have to actually ask yourself as a business owner some of these questions.

One is is it working to keep my store open. You have to follow up with these questions. If you say yes, do I keep it the same way as I have before? How is my store set up? Is it setup for online selling or is it only set up for people coming in. What about my staff. What kind of marketing, what kind of inventory and how is that going to affect my cash flow?

Inventory is very, very important because now you're at the stage where you have to go to markets to buy

inventory for the holidays. So how do you do it? What kind of revenue stream do you have to ask. You have to look at this information.

Maybe if you decide can you run your business online. Those are some of the information you have to -- that you have to come up.

But something that might be able to save you some money, can you work with your landlord and restructuring the lease the way you wanted to give you some relief on your lease.

So that's one way to maybe stretch out your money.

So if you decide to keep your physical location of brick and mortar, maybe the key is to set up some time with your landlord about renegotiating your lease. If you don't own the building, maybe do it. Right now commercial real estate is not in great shape right now. It's picking up again because the industry analysis and banks don't foresee getting better in the short-term. Hopefully in the long-term by the end of this year. So what does that mean to you as a business owner as a lesser.

You have a leverage in negotiating your space because the owners don't want the space vacant. So what are some

ways that you can maybe negotiate your lease.

So maybe talk on to your landlord and see if you can make changes to your lease that you are both happy. Perfect. So talk to your landlord. What if it doesn't work when you talk to your landlord?

Maybe seek legal assistance and ask for one maybe whether you can have a full or partial rent abatement or base rent. Sometimes you can use common maintenance and both agree upon a period of time when you will have this.

Another option you can have may be full or partial rent deferral, which a lot of businesses are doing right now to be repaid over installments. The end of the lease or some other time that you can do with your landlord.

All of this is done to basically save your cash flow to keep you going.

Maybe application of a security deposit you originally have to cover some of the deferred cost might be able to help keep you going.

Maybe you can have full lease renegotiation again including term, size, space under the lease. If right now you're a brand new business owners and getting ready to sign the lease, maybe you want to take into consideration

the next one. By building an escape clause into account for acts of God, like a pandemic. Or other events that might lead to address the cost of revenue.

So all of these are geared for you to think about maybe to help extend our your finance and cash and get you to the good times which I believe are coming.

>> That's great. Thank you.

>> The second question, you know, looking forward to what are the marketing strategy you can focus on now to work yourself. While shopping in stores are down, resident long-term customer shopping in stores isn't going anywhere.

According to experts at a micro level the store is still critically important and will be the epicenter for the consumer. So more than three-quarters of retail will still occur in stores.

So the brick and mortar will still function and going to very well. That means customers will still shop at stores the way you're shopping, but it's going to be in a changing pace.

So a consumer feels safer they will come back to the stores, but that means the store right now will be

different. You have to rethink it.

I have a business, I'm rethinking the way I'm going to operate so maybe you have to go and do more online selling, collect online, maybe have people buy and pickup at the store. So you have to change your strategy the way you have to be able to go for the future because I think the future right now for small business owners, I think the next four or five months a lot of people will be buying a lot of goods so you want to be one of those customers, those stores that attracts a lot of people.

So I'm very optimistic for retail. You just have to change your structure and try to go forward. In the meantime, save your cash because you have to have cash.

So I'm here at the SBDC and I work with a lot of customers and I try to -- I try to help as much as I can, but also bring the perspective of also a store owner who has been in business for 20 years.

>> That's great, Angelo. Thank you so much.

And I just want to say it is great to have somebody who is a combination of an SBDC advisor, but also has experience of running their own brick and mortar business. It's great to have your perspective. We're about to

transition now to the live Q&A phase of the event and people can ask questions of any of our three panelists. And if anyone owns a brick and mortar business and has a question for Angelo please ask it now.

I'm going to hand over to my colleague Jarvis Brewer to take over the live Q&A section of the event. So over to you, Jarvis.

>> Thank you so much Kelly and thank you to all of our panelists as well as all of our attendees here today. Continue to submit your questions as well as look at the questions that have been submitted by your fellow attendees and like the questions that you would like to be answered.

So we're going to go through as many of these as we can. Obviously with time we probably will not get to every question however there will be contact information at the end of this Q&A for you to reach out if you need further attendance.

So for this first question, I see that David Elizondo has submitted a link in the Q&A but I'm going to address his question directly to the SBA and hopefully David can provide a little bit more clarity about this question

because it seems a lot of people are interested in this.

The question is how can I determine whether my business is in a low income area? So David, could you elaborate how someone can find the tools to see if they are in one of these areas which would qualify them for the EIDL advance?

>> One of the things we have available is SBAEIDL.policymap.com. I don't know if you can share that link to have them punch in their address. So they can put in their address to determine whether or not they are considered in a low income area. So there is an actual interactive map that will help determine whether or not you do indeed fall into a low income area.

>> Thank you so much. I see that you have already submitted that link and I hope that we can at least direct our attendees to find that link as well. Michael in the background, I know y'all can highlight that again for anybody who sheriff's department interested in finding that information. Thank you so much for that, David.

>> Eric mentioned a comment along those lines about disaster assistance. And Eric, to answer your question that you can apply for both a PPP and the EIDL and the SVOG

assistance program. So for sure you do want to follow-up with our website here on April 8th when it goes 35 with the SVOG. I think there is a question in there that talks about the second tranche of PPP to see how much you have received.

>> wonderful. I'll stick with you and I'll actually ask Eric's question so that all of our attendees get that question and we can address it.

So David, here is Eric shepherd's question. The question is the first speaker, you, David, said we have to open up a SAM account in order to apply for the SVOG. Is this true even if we've gotten an EIDL advance and participated in both PPP programs? So that's the question.

>> Right. So to elaborate in a little more detail, so with the EIDL advance you apply directly through SBA's website for the shutter venue operator grant. It's going to be through grants.gov so that's why it's important to get your profile on SAM.gov because when the portal goes live it won't be through SBA's website, it will be through grants.gov.

>> Thank you, sir. Moving right along they have a

question from Patricia Bradley and I will direct this to both Gina and to Angelo. I think you both hit on this question in your opening remarks.

Patricia's question is what marketing strategies do you recommend for businesses that offer services rather than products? I'll begin with you, Gina. What kind of strategies do you recommend for people who have services rather than physical tangible products?

>> That's a good question. I'll throw out two ideas that I like most with my clients that are in services. One is establishing yourself as the expert in that business, whatever works for that particular business. One of the very best ways to do that is a little bit old fashion in terms of technology, but it's have a blog and post on that blog regularly. And when you're thinking about what to post, think about what are the things that your potential clients are searching for? What are those very specific questions? And those are exactly the kinds of things that you want to address in a blog post.

Because if I'm a potential client and I'm out searching trying to find the answer to my question, if you can put that specific wording in your blog post it's going

to help out with your SEO. I may come across that before anything else and automatically in my mind you must be an expert on whatever it is my question is about.

The second thing that I would do is really focus on your brand and you as the business owner as the brand. As a service provider let's just take CPAs for example. People don't really want to do business with your group, they want to do business with you as a person. So some of the great ways to establish your brand as an individual and let your potential clients get to know you is using social media, making posts on there. Not just generic posts. Do some videos, do some live videos. They can be prerecorded, whatever you're comfortable with, but get behind that camera and let your potential clients really get to know you because it really goes back to being the expert in your industry that we want to do business with the expert and with somebody that we know and trust.

>> Thank you for that, Gina. And do you have anything further, Angelo?

>> Yeah, I'd just like to add to everything that Gina said. I think that you should do that. I would just like to add, and whether you have a service business or a brick

and mortar business, there's a lot of competition out there right now. So if you focus on providing great customer service where you're known for customer service, and customers especially in these pandemic days. So I think what Gina said, but also provide customer service. And when talking on the phone and we talk to customers and how many times do we talk to somebody and just hung up. We want them to come back to us. Customer service I would go with that.

>> Thank you for that. Thank you both for your insight into that question.

I'm actually going to relay this question to both our SBDC representatives once again. I will begin with you Angelo. The question is how do I market to industry? Is there a resource industrial buyers use?

So for example, I have a product or service and I want to market it to a specific industry such as V to V. I have a business I want to market to the people in the auto industry or other businesses in the tech industry. How do I market to an industry? Is there a tool or resource that can position me better to market? A lot start with you, Angelo?

>> I suspect small business center. It's open to everybody. It's called SBDC net where we can provide you with marketing information statewide on many type of businesses. And it is free of charge. So we can assist you with that. It takes about three weeks to provide that information. It can be anywhere from a business plan to marketing statistics, all the way to individual streets.

So that's something that we can provide with us statewide.

>> Do you have anything further for that, Gina as well?

>> Sure. I'll throw out two more things. One of my favorites for B to B marketing is actually trade shows. Thankfully now that Texas is open we're going to start to see some more of those later this year. That's a great place to meet new people and to meet a lot of new people at once in a very specific industry. And the second thing that I would do is make sure that you have a really solid email list. Build that list with people from the industries and a lot of those are going to be people that you might meet at the trade shows. And when I say trade shows, I don't mean that you have to fly out to another state and go to some massive show. Those are great.

We have lots of local shows in our areas that can be helpful as well. So those are two great ways to reach those markets.

>> Absolutely. Networking trade shows great examples of not only just meeting people, other businesses and positioning yourself in front of them, but also potential clients. So thank you both for that tag team effort on that question.

This next question comes from Sherri. I'm going to relay it to you, David. It's an SBA centered question. The question is what can you tell us about the EIDL loan amount increases and when will they be available to apply and see if we did qualify for a higher amount instead of the old cap of 150K? So let me reiterate the question again. What can you tell us about the EIDL loan amount increases and when will we be able to apply and see if we did qualify for the new higher amount as opposed to the old one being the 150K?

>> Got it. It's funny that the question is being posed because I was trying to be proactive and actually reached out to the office of disaster assistance this morning in anticipation for this question. So the exact

response and I'll read it verbatim to the person posing the question is businesses that receive a loan subject to the current limits do not need to submit a request for an increase at this time.

SBA will reach out directly via email, so make sure it's a.gov, and provide more details about how businesses can request an increase closer to the April 6 implementation dates. And a new loan application and any loans in process where the new loan limits are implemented will automatically be considered for loans considering 24 months of economic injury up to a maximum of \$500,000.

So that goes to the max loan amount before was 150,000. Now it's up to 500,000. So hopefully that answers that question.

>> Yes, sir, absolutely. And thank you again for doing homework in anticipation.

I'm sure our audience and attendees definitely appreciate it.

So we'll move right along and we're in the last quarter of the hour. This has gone by very quickly. I'm going to do somewhat of a rapid fire.

Beginning with a very straightforward question which

I'm going to give to you, Gina.

So the question is if we already got an EIDL 10K grant I'm assuming we got the original EIDL advance, not to target it -- not the targeted EIDL advance. If we already got an EIDL 10K grant last year, can we qualify for the low income advance as well. Can we also get the targeted one this year? Over to you, Gina?

>> So the advance that came out in early 2020 and the targeted advance right now are actually the same thing. So if they received the full 10,000 earlier last year then the answer would be no. The purpose of the targeted grant is to really make those whole who did not receive the full 10,000 earlier last year. So let's say you applied early on when there was still plenty of funding in April and you were awarded \$500,000 because you have 5,000 employees. With a new targeted grant you will receive an email that invites you to essentially reapply and you may be able to receive the additional \$5,000 making you full with the 10.

>> Exactly. So basically if you got it before and it was full amount 10,000, it's not a new amount of funds. You wouldn't receive any other funds. If you got it last year and you got five thousand and you were eligible for

10, you may be able to get another five thousand this year. Correct.

All right. Again from Eric, another question. I'm going to do this around the targeted EIDL.

So I'll give this question to Angelo. The question is we are in a targeted EIDL area but have not heard back about the second round of EIDL advances since an email from SBA about five weeks ago. The SBA site says our application has been submitted. Is there a backlog or have the funds already been distributed? So they applied, vicinities heard anything about five weeks ago. Is there a backlog? Should they be patient? What do you recommend?

>> What Gina said, I mean, you received the EIDL advance in the beginning and you are in the targeted area the SBA will be in contact with you.

So I received an EIDL advance, I received an EIDL loan and advance, but I have not received a letter from the SBA.

Now, one, my customer who is in a targeted area, they have received that request so they are applying now to the SBA. So that would be a good question for maybe David regarding the SBA.

>> Yeah. I was actually going to piggyback off of Angelo's statement there. So he's correct for someone located in a low income area that may receive an email to participate in the targeted EIDL advance and haven't heard back, first of all, I would say please be patient with us. Overprocessing over 1,000 applications almost on a daily basis. But there's two options. I hate to tell you no, I never leave an option. Option number one is to call the disaster assistance customer service number, which is 1-800-659-2955 Monday through Friday 8:00 to 8:00 eastern time. Option number two is to email targetedadvance@SBA.gov.

>> Thank you for that, David. And could yourself or one of our behind the scenes crew answer that question so our audience can have it visually in front of them if need to be repeated, please just let me know.

Moving right along, I'm stick with you David with this next question. It's very straightforward. To qualify for a percentage for second draw on PPP, is it changing from 25%?

>> The qualifier -- so.

>> I don't know if you can elaborate on that question?

>> That's what it says. I assume it means reduction.

>> As of right now that is where it stands, the percentage using your 2019 quarters to your 2020 quarters and they have to be comparable. You can't compare last quarter 2019 with first quarter 2020. Right now it's still 20%.

>> wonderful. We have actually gone through all of the submit and published questions, believe it or. No at this time I'm going to open it up to our panelists if any of these questions or any of the remarks from earlier have kind of ignited something that you would like to speak on. We'd love to hear some further insight in these last moments if you have any particular guidance or anything to say.

Anyone? I'll stick with you, David, if there's anything else?

>> I was going to sigh Gina, ladies first.

>> I wanted to add I've been monitoring everything very closely happening in the panhandle and looking at our own stats here in the office and I am very hopeful for what beer going to see in 2021. I expect that the state is not only going to recover from COVID. I think we're actually

going to come out better than we were before COVID. We have -- of course we're biased, but I think we have the best people in the world living in Texas. We're hard workers. COVID forced us to innovate in ways that we probably wouldn't have before. And it's going to pay off. One of the things Angelo mentioned is getting your stores online. I've seen many clients do that and it's an amazing transition and it's something they will keep doing post COVID. I'm really excited about what we will see in 2021.

>> One comment that I would like to make, there's still some customers, some small business owners that haven't applied for EIDL. They applied for the PPP but not the EIDL. I would recommend that they apply.

I'm not sure exactly how much they're going to earn, get, but then they have a chance to decline it or take it.

If they qualify for \$100,000, they can take 20,000 or \$1,000. So it's a very good program to do all kinds of stuff to improve your business.

Also, I believe the SBA just expanded that payment for 24 more months.

It was originally 12 months, now it's 24 months before

you actually make the payment. You're applying for a loan. If you go to lender they'll ask you for all on sorts of stuff, business planning and projections and so forth. But the SBA under the EIDL just your financials and they look at your tax returns and they make notations. It's a great program, great interest rates for any kind of businesses.

So I would say if you haven't applied yet, apply.
Great program.

>> Absolutely.

>> And to kind of follow up with some final comments here, for the latest information, for anyone wondering what's going on I highly encourage you to visit [SBA.gov/disaster](https://www.sba.gov/disaster). We are frequently updating the FAQs and policies, but also leveraging our resource portal. So we have Angelo and Gina here on the small business development center. We also have SCORE available to you business owners and non-profits. We have a business women's center across Texas as well. Although they are funded by SBA to provide technical assistance to you at no charge. You definitely want to leverage the resource partners in times like this when you want to start a small

business, but also pivot your small business in this pandemic.

>> well, thank you all. We have one final question that was just submitted, I'm sorry.

But the question is when I get through it, is the second round PPP time frame is it eight weeks, 24 weeks or does the borrower decide when to apply for forgiveness? Is it eight weeks from when I received it to 24 weeks? What is the time frame for this PPP?

>> Up to 24 weeks.

>> There we go, up to 24 weeks.

>> That's the caveat, up to 24 weeks. That's something that should be negotiated between the borrower and the sender.

>> when does that 24 week time frame start?

>> when the funds are disbursed.

>> when they are disbursed. Thank you so much, sir. With that we have gone through all of our questions. I want to say thank you to all of our panelists. You guys have done a phenomenal job providing information to our Texas small businesses. I want to thank each of you attendees for being here providing these questions

because even if you did not ask a question or -- if you asked a question I'm sure you helped someone else who didn't ask a question. Thank you so much for participating in this event as well.

A lot of the contact information will be available in the next upcoming slides. So at this time I will hand it over to my colleague Kelly to close us out. Thank you.

>> That's great, thank you, Jarvis. And thank you to Michael Traeger and to the back of house who have answered quite a lot of your questions directly. If you did ask a question and it wasn't published and asked live, check the dismissed feed that I think you can see and your question will be there with an answer.

If you didn't happen to notice it already. Moving along we have a couple more things to cover. I just want to mention the Office of the Governor small business team and I.T. team have worked hard to produce this new online tool. We call it the small business resource portal. The link is there. It is for anybody starting a business or running a business who has questions and looking for resources, looking for answers to the kinds of questions you've been asking today. You can go on to this portal

on the web pages. That's a portal there. You can answer five simple questions that pertain to you and what you're looking for and the portal will send you right back on screen a list of resources that might be relevant.

You can print them out or you can email them to yourself right then. And if you didn't find what you're looking for there is also a form that you can fill out to schedule a call with myself or one of the team members who can help you get specific answers or solve a complex question.

Just wanted to highlight that new resource. We'll be sharing these slides with you after the event. These other links are all Office of the Governor resources that are also available to you that are relevant to businesses and again I'm not going to go through them because you're going to get these in -- get a link to all of this in an email right after this event.

We also have the links that have been discussed today, all about PPP, the shuttered venues grant, other SBA loans, how to find an SBA lender, SBDC information and SCORE as well. So like I said; you will be getting access to this deck momentarily. I would like to thank everybody

for joining us. I would like to thank our panelists, for joining us and answering so many questions so well and to brilliantly. It's been an honor to have you here and an honor to have you audience join us. We thank you all so much. Our next webinar will be on April 28th and we will be publishing information about that shortly. Thank you all and have a great day. This event is now over.